

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

BETTER BAGS, INC.

Plaintiff,

v.

REDI BAG USA LLC

Defendant.

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CIVIL ACTION NO. 4:09-cv-03093

JURY TRIAL DEMANDED

FINAL JUDGMENT

On November 10, 2011, the Court granted Redi Bag USA LLC's motion for summary judgment on invalidity (Doc. No. 48) and found claims 3 and 4 of U. S. Patent No. 5,732,833 to be invalid under 35 U.S.C. § 102(a) and (b).

On January 9, 2012, the Court called this case for trial. Better Bags, Inc. appeared in person and through its attorney and announced ready for trial. Redi Bag USA LLC appeared in person and through its attorney and announced ready for trial. The Court determined that it had jurisdiction over the subject matter and the parties to this proceeding. The Court then impaneled and swore the jury, which heard the evidence and arguments of counsel. The court submitted questions, definitions, and instructions to the jury. The jury reached a verdict on January 13, 2012 that the Court received, filed and entered of record (Doc. No. 78). The jury determined that Better Bags, Inc. does not infringe any asserted claim of U.S. Patent No. 7,314,137. Because the jury found no infringement, the jury did not answer questions on Better Bags, Inc.'s affirmative defenses of waiver, estoppel, accord and satisfaction and release.

On May 24, 2012, in response to Redi Bag USA LLC's Rule 50(a) motion on Better Bags, Inc.'s affirmative defenses of waiver, estoppel, accord and satisfaction and release, the Court denied

the motion as being moot (Doc. No. 100). On September 6, 2012, the Court denied Redi Bag USA LLC's motion for reconsideration of that motion as being moot (Doc. No. 113).

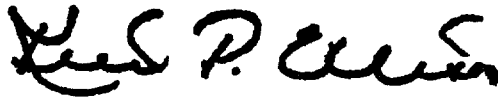
In accordance with the jury's verdict and the court's pre-trial and post-trial rulings, the court renders the following judgment.

It is, therefore, ORDERED, ADJUDGED and DECREED as follows:

1. The Court finds that Better Bags, Inc. does not infringe and has not infringed any asserted claim of U.S. Patent No. 7,314,137.
2. The Court finds that claims 3 and 4 of U. S. Patent No. 5,732,833 are invalid under 35 U.S.C. § 102(a) and (b).
3. The Court finds that Redi Bag USA LLC is not liable to Better Bags, Inc. for any claims asserted by Better Bags, Inc.
4. The Court makes no findings as to Better Bags, Inc.'s affirmative defenses of waiver, estoppel, accord and satisfaction and release as being moot and no relief is granted or denied for those affirmative defenses.
5. The Court orders that Better Bags, Inc. take nothing by its suit against Redi Bag USA LLC.
6. The Court orders that Redi Bag USA LLC take nothing by its suit against Better Bags, Inc.
7. The Court denies all relief not granted in this judgment; provided, however, that this denial does not apply to Better Bags, Inc.'s affirmative defenses of waiver, estoppel, accord and satisfaction and release because relief is neither granted nor denied for those affirmative defenses.

8. This is a FINAL JUDGMENT.

Entered this 3rd day of October, 2012 in Houston, Texas.

A handwritten signature in black ink, appearing to read "Keith P. Allen". The signature is written in a cursive, flowing style.

UNITED STATES DISTRICT JUDGE